STRATEGIC PLAN

2000-2004

PROVINCIAL CAPITAL COMMISSION

UPDATE

APRIL 2000

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CHARTING THE COURSE * 2000-2004
BRITISH COLUMBIA PROVINCIAL CAPITAL COMMISSION
STRATEGIC PLAN

I EXECUTIVE SUMMARY

In mid 1996 the Provincial Capital Commission celebrated 40 years of service to the citizens of British Columbia. During the 40 years of operation only one formal planning project was undertaken, that being in 1988, resulting in Commission's "Comprehensive Plan" which was designed to focus Commission efforts for the ensuing 5-10 years. It seemed appropriate therefore that, in conjunction with its 40th anniversary, Commission launch a major planning effort to guide its activities until the end of the century and beyond.

The newly updated strategic plan, **"Charting The Course * 2000-2004"** identifies 10 strategic issues as outlined below:

1. Property Management
2. Long Term Financial Viability
3. Greenways Initiatives
   - Land Stewardship
4. Belleville Terminal Enhancement
5. Public Profile Enhancement
6. St. Ann's Academy Building Restoration/Renovation
   - Restoration/renovation/operation of St. Ann's Academy Grounds
   - Restoration/renovation/operation of St. Ann's Academy Chapel and Interpretive Centre
7. Harbour Properties and Comprehensive Management Agency Structure & Operations
8. Crystal Garden Attraction Operation
9. Programming Role
10. The "P" in Provincial Capital Commission

Although the Commission's strategic plan originally has a 5-year time line, it is intended to be a dynamic planning guide for decision-making and is not meant to be a static document. The plan is monitored and revalidated annually. Each strategic issue has strategic objectives and performance measures that will be assessed each year as part of the revalidation process. The plan is to eventually post the document on the Internet as part of the Commission's updated Internet site in an attempt to enhance broad participation in the annual reviews. While major changes are not anticipated each year, the strategic plan is an evolving document that has an on-going presence and serves as a continual guide for Commission service. The purpose of the process and the plan is continuing improvement of the service provided by the PCC in pursuit of its mandate under the Capital Commission Act.

The Commission anticipates a bright future as it faces the next few years which will "chart the course" into the 21st century.

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TABLE OF CONTENTS

Page

I. EXECUTIVE SUMMARY

II. INTRODUCTION 4

III. INTERNAL AND EXTERNAL SCAN 9

STRENGTHS 9

WEAKNESSES 9

OPPORTUNITIES 10

THREATS 10

IV. SITUATION ANALYSIS 10

1. Property Management 10
2. Long Term Financial Viability 11
3. Greenways initiatives 13
4. Belleville Terminal Enhancement 17
5. Public Profile Enhancement 21
6. St. Ann's Academy Building 22
7. Harbour Properties and Management 25
8. Crystal Garden Attraction 26
9. Programming Role 31
10. The "P" in Provincial Capital Commission 32

V. STRATEGIC OBJECTIVES & PERFORMANCE MEASURES 34

VI. PERFORMANCE MEASURES - 2000-2001 36

CHARTING THE COURSE * 2000-2004

BRITISH COLUMBIA PROVINCIAL CAPITAL COMMISSION

STRATEGIC PLAN

II Introduction

Development of the Strategic Plan began in 1996 with information from a variety of sources. First, the 1988 Comprehensive Plan was reviewed. Current mission statements, goals, and objectives were all reviewed and taken into account. Second, the input and results of the "Mandate Study" of 1992 - 93 were analyzed. Third, the summary of the October 29, 1994 Futures & Priorities workshop for the Commission was reviewed. Fourth, the 1995 Greenspaces Strategy project progress was reviewed.

Unlike many long range-planning exercises, specific assumptions of future happenings were not relied on for much of the base data utilized in this plan. While the strategies (and many of the goals) remain appropriate from one year to the next, specific projections often do not unless they are based on highly sophisticated research techniques and relate to a highly controlled environment. Commission's operating environment does not readily lend itself to either condition.

Rather than relying heavily on specific forecasts of future events in its planning the Commission has developed a more dynamic Strategic Plan, which is oriented more toward issues and strategies, together with a more specific but separate business plan dealing with such things as budget projections and other number projections.

A strategic plan deals more with identifying and resolving issues. This Strategic Plan is a dynamic document, evaluated each year, which gives direction to the budget plan, as well as all other activities of the Commission.

Following are the ten Strategic Initiatives of this Strategic Plan. Each Initiative statement is followed by specific Strategies, or approaches, used to meet the Initiative. These Strategies provide specific definition to the Initiative statement. The Strategies are followed by a set of Performance Measures. Goals or initiatives are only as valuable as the ability to know if and when they are reached. The Performance Measures are the instruments used to determine our success in realizing the Strategic Initiative.

Preceding the ten Strategic Initiatives are the environmental analyses conducted as a foundation for the Strategic Plan. As these strengths, weaknesses, opportunities, and threats change, strategies will be adjusted. The Commission staff has the responsibility of annually monitoring the Strategic Plan. With the help of the rest of the community, the annual review

will result in a report to the Minister Responsible and the Crown Corporations Secretariat. The report will provide information about progress and improvements made as a result of the Strategic Plan as well as recommendations for adjustments to the Plan.

Mission Statement

The Provincial Capital Commission (PCC) is an agency established by the province under the Capital Commission Act, with the mission of protecting and enhancing Victoria's unique Provincial and National role, character and ecology through preservation and elaboration of natural and built amenities and environments in the Capital Improvement District (CID) of the province.

The primary role of the PCC is that of "trusteeship" or "stewardship". To carry out this role adequately, the Commission considers it important to be able to continue the award of greenways and enhancement (beautification) grants, to manage a "critical mass" of assigned properties, to have continued involvement in decisions affecting sensitive aspects of public properties and to help in articulating a "vision" for the natural and built environments within the CID. Such aspects include issues of retention of views and green spaces, density, appropriateness of development and heritage concerns. PCC involvement would continue to take place through discussion, advice and design consideration.

Further to the general actions noted above, the PCC feels that it has a responsibility to help ensure that the physical aspects of the capital city and its environs not only adequately reflect Victoria's stature as a provincial capital but also Victoria's unique heritage character and as a destination for visitors from British Columbia and beyond. While most of the action in these regards lies within the realm of municipal jurisdictions, the PCC has the opportunity to cooperate and be influential in such efforts.

Values

How Commission accomplishes its mission is perhaps as important as the mission itself. The following values are fundamental to PCC success:

Our people - the public, volunteers, Commission members and staff - are our strength. They are the source of our creativity, they determine our reputation, and they provide our vitality.

All our people are important contributors. Respect, humanity, and integrity are required in our treatment of each other.

In all the services we provide, our efforts are open to challenge and debate.

Guiding Principles

- We have a responsibility to society to contribute to its social, aesthetic, and economic well-being.

- Our social responsibility extends to offering informed criticism even when that criticism may not be well received. We maintain an internal environment that will nurture this important contribution.

- Flexibility, change, and constant improvement are essential to our continued success.

Corporation Profile

This autonomous corporate body consists of 14 members, eight appointed by Order-in-Council and six by the four core municipalities (Victoria, Saanich, Esquimalt and Oak Bay). The Commission employs a staff of approximately 26 FTE's and has an annual operating budget (not including beautification or greenways funds grants) of approximately $3 million. The Commission currently is self sufficient in terms of its operating budget. As part of its mandate responsibilities, Commission manages a property portfolio assessed at approximately $63 million in 2000. Each of Commission's properties was obtained as a consequence of either its special nature or location in relation to the enhancement mandate of the PCC. Although all of Commission's properties have a mandate related role, several of the properties are also commercially viable and it is the revenue from these properties that sustains the Commission's operations.

History & Finances

The Commission was the brainchild, in the mid 1950's, of then Premier W.A.C. Bennett. Despite the fact that he was not a greater Victoria native, he fell in love with the Capital and was of the view that its beauty should be maintained and enhanced where possible as befitting the image and role of a Capital City. As a consequence, in 1956 legislation was adopted, based on a model previously initiated in the Nation's Capital, creating a Capital Improvement District Commission more commonly known as the CIDC. The Commission, consisting of members who were primarily Deputy Ministers of the Provincial Government and Mayors of the four core municipalities, operated without staff until 1977 when the agency was renamed the Provincial Capital Commission. It was then given a number of critical Crown Provincial properties and a small staff was created primarily from members of the former Public Works Department, which had been converted to BCBC.

In the early days of the Commission, the primary responsibility was the distribution of beautification or enhancement grants. When property was transferred to the Commission and staff were in place, property management and project development became a major focus of the Commission.

From 1977 to the early 1980's the Commission received a "grant" to pay core staff costs and a further "grant" for distribution as part of the beautification grant program. In the early 1980's with the appearance of difficult times, financially, Commission experienced a downsizing both in terms of staff and budget appropriation. For three years there was no beautification grant and while that grant was eventually restored, additional fiscal restraint in later years combined with success in generating revenue resulted in Commission ultimately "losing" its

operating and beautification grants. As a consequence, for the past 9 years the PCC has been operating on self generated funds and that situation is expected to continue.

Revenues increased steadily during the period 1984/85 to 1990/91 from $1,614,464 to $3,130,104 an increase of 94% over the 7 years or an average of 13.4 increase per year. During the same period expenditures, while fluctuating a bit more than revenues, went from $1,390,207 to $2,147,846 an increase of 54.5 % over the period or an average of 7.79% increase per year.

Following 1991, Commission lost its operating grant of $300,000^{+} per year and declining interest rates resulted in an additional revenue loss of some $200,000^{+} per year. Despite that significant revenue decrease, the P.C.C. has been able to balance its budget in recent years by reducing expenditures primarily in the capital project areas.

At the present time Commission has "reserves" totaling approximately $1,400,000 not including the $2,000,000 operating fund. The reserve funds have been generated over the past 15 years by fiscally prudent financial management and the growing value of Commission's property portfolio that generates all of the net revenue flows.

Under present circumstances, the Commission is able to function as it does because of its property portfolio and more especially because of that portion of the portfolio that has commercial viability. Careful analysis will demonstrate that the only positive cash flow that accrues to the Commission and allows it to carry out its mandate is generated by Commission's Inner Harbour holdings.

If current discussions eventually lead to formation of an independent management authority for the Inner Harbour and if some or all of the Commission's harbour properties are transferred to such an authority without compensation and/or replacement cash flows (i.e. an operating grant) then Commission, as we currently know it, will likely be unable to continue operations unless it is provided with a compensating operating grant.

Staffing

As indicated earlier, Commission functioned without direct staffing until 1977. Prior to that time one or another of the Deputy Ministers who sat as members of the Commission allocated any personnel that were required. When a permanent staff was established, the complement was set at approximately 26 full-time equivalents. During the restraint of the early 1980's that complement was reduced to 17 FTE's and currently stands at 26 FTE's. As a consequence, we have approximately 30 staff members at any one time because a number of the staff are auxiliary in nature and only work "part-time" whether it is part-time in the summer only or regular part-time where one may work half-time or some similar arrangement.

This staff load of 26 FTE's is responsible for all operations of the Commission including the Crystal Garden where approximately 18 of the FTE's are required. The vast majority of PCC staff are long term multi-talented staff who have been in the employ of the Commission for an

extended period of time. Staff turnover is very low because virtually all Commission staff enjoy the work they do and relate very positively to the mandate of the Commission. This is despite the fact that career opportunities within the Commission are either very restrictive or non-existent for most staff members. At one time such a staff may have been considered as lacking either motivation or capability to advance their careers. Neither is the case with any of our staff. For the most part, our staff members have committed themselves to a career with the Commission. The Commission has been able to provide job satisfaction despite its lack of advancement opportunities within the system; consequently we have many people who are capable far beyond the level of their present classification. We have instances where staff have been tempted and or have left for greener pastures and have either returned and/or reconsidered. Our staff complement is relatively low for the size of our budget and for the tasks we are required to undertake but there has never been an urgency to undertake a great deal more than can be handled at one time and while staff occasionally have to stretch themselves to handle urgent tasks they have never been extremely overtaxed for an extended period of time.

Summary

Because of the nature of legislation and the make-up of the area over which the Commission has some jurisdiction, the consultative, cooperative, collaborative and advocate approach is probably the only approach possible. The approach manifests itself both at the staff level where there is close consultation and liaison with staff of related agencies and at the Board level where, because of the makeup of the membership, input is provided on a regional non-parochial nature. Commission often acts as the "honest broker" using its good offices to bring parties together or seeking solutions to problems.

In essence, the Provincial Capital Commission in British Columbia is a very small modestly funded agency that utilizes facilitation methodology to achieve its mandate of enhancement of the Capital Improvement District (i.e. Greater Victoria).

The history of the Commission is not without problems, but nor is it without accomplishment. There is much to be proud of and that is primarily because of the decisions and personal contributions of time and expertise made by the current voluntary Commission members and their many predecessors.

III CIRCUMSTANCES - INTERNAL AND EXTERNAL SCAN:
An Analysis of Strengths, Weaknesses, Opportunities, and Threats.

Note: The scan for the Strategic Plan began with input from several sets of information. First, the input, results and reviews of the 1992-93 Mandate Review study were analyzed. Second, the October 29, 1994 Futures & Priorities Workshop summary documents were analyzed. The latter included updated lists of ranked priorities. The third set of information consisted of numerous in-house evaluations and surveys, especially those relating to the Crystal Garden operation.

Strengths

- Small operating unit leading to quick responses to changes of direction where the benefits of flexibility can be maximized.
- Primary focus on environmental enhancement.
- Innovative activities being undertaken in a number of areas.
- Good interactions and relations with federal, provincial and municipal departments and programs.
- Entrepreneurial approach to mandate.
- Traditionally stable financial base.
- Solid core of volunteer expertise on Commission and its advisory committees.
- Generic nature and breadth of Legislative mandate.
- Dedicated, competent and versatile staff.

Weaknesses

- Lack of diversified funding base.
- Overextended in terms of trying to achieve quality programs in many areas.

- Limitations of legislative mandate.
- Level of staff opportunities for in-house advancement.

Opportunities

- Environmental diversity and potential of the area of jurisdiction.
- Focus on quality of life in the area.
- Ability to tailor services to meet needs.
- Highly qualified local expertise in several subject areas that are available as advisors.
- Disposition of Federal properties in Greater Victoria.

Threats

- Potential loss of revenue generating properties to comprehensive harbour management agency.
- Lack of broad community understanding and support.

IV SITUATION ANALYSIS

Key strategic issues facing the Commission include:

1) Property Management

For many years, there has been a debate simmering as to the merit of Commission directly managing its property portfolio. There are those who suggest that it would be wiser to focus strictly on amenity enhancement. At the same time the net revenues generated from the commercially viable PCC property are valuable in terms of stability of financial operations when compared with the stability derived from an annual "operating grant" or

provincial government budget appropriation. Additionally supporters of the direct property management role are of the view that an agency with knowledge of and commitment to the PCC mandate will manage properties in a manner, which is sensitive to and consistent with the mandate rather than only being concerned with the "bottom line".

Alternatives

a) Maintain The Status Quo
b) Request Transfer of properties To Another Agency

Assessment

a) Maintaining the status quo would allow the PCC to continue to operate without direct tax funding from the provincial government.
b) Transferring PCC properties without compensating funds would result in the need for an operating grant or result in Commission's inability to fund current operations. Additionally there would be no guarantees that the "special" properties which were vested in the PCC would continue to be monitored and utilized with the "sensitivity" their special status dictates.

Decision Taken

That the PCC continue to manage its property portfolio directly.

2) Long Term Financial Viability

While Commission's operations are currently viable, all of its current net cash flows are in jeopardy over the short to medium term. There has been a concerted effort to establish a comprehensive harbour management authority for some time and the withdrawal of the Federal Government from the local ports and harbours scene may well be the catalyst which sees progress in accomplishing such a goal. Previous harbour commission proposals under existing Federal legislation have always suggested that PCC inner harbour property should be transferred to any such harbour authority. Were that to be the case (without some form of offsetting compensation), the PCC would be in financial jeopardy. Even if a harbour management authority does not come to pass in the near future, several of the Capital Commission's inner harbour properties (e.g. Ship Point uplands & the Reid site) are generating significant revenues from temporary use as parking lots. The long term public use of these sites, which is a much more appropriate use of the subject property, could result in loss of the net cash flows currently being generated on the sites.

At the October 1994 Commission workshop it was agreed that:

There are only two primary sources of net operating revenue, namely:

a) *Harbour properties rent (properties given to the P.C.C. by the Province as assets to protect and use).*
b) *Capital/Investment Income (from Commission reserves).*

Issues

- *If we reduce revenue by losing a significant tenant without revenue replacing same - the result is trouble*
- *If we give up harbour properties without adequate compensation, we will be in trouble*
- *If we use our reserves for capital projects, we will be in trouble*

It was concluded, therefore that:

- *Crystal should be budgeted for $0 net over long term*
- *St. Ann's should be capped @$70,000 net expenditure above which it jeopardizes its viability (budgeted goal - $0 net in 5 years)*
- *The P.C.C. should establish a strategic replacement reserve*
- *Commission should formally move reserve target from $1.0 M to $2.0 M*

Harbour properties

In any transfer of Harbour Properties

- *There must be a fair resource transfer to the PCC*
- *What of the need? Need of some security of revenue from the CPR Steamship location*

We think the established reserve base at $2M is appropriate.

Expense Side

- *Crystal must be maintained at our 10 year average net*
- *St. Ann's should be capped at 70K or review our involvement*
- *Replacement Reserve - Capital for enhancement of PCC properties and for Greenways funding.*

Alternatives

a) Maintain The Status Quo
b) Consider Transfer of Inner Harbour Properties To Another Agency For the Purposes of Harbour Management
c) Join With Local Municipalities for the Purpose of Participating In or Becoming the Harbour Management Authority

Assessment

It would seem highly unlikely if the PCC could maintain the status quo even if it were desirable to do so. Some form of coordinated effort is required for management of Victoria - Esquimalt Harbour and with the Federal Government divesting itself of its properties and responsibilities in the Harbour(s) it appears there currently is a "window of opportunity". Whether a totally new agency is required to assume the harbour management role is debatable. The primary concerns of the Municipalities and the Province in any Harbour management arrangement has always involved:

- The desirability of and need for local control and decision-making.
- The requirement for local land use controls and decision-making.
- The opportunity for local public input to decision making.
- Concerns for significant revenue loss by relinquishing Municipal and Provincial jurisdiction over net revenue generating harbour properties.

Decision Taken

That Commission join forces with other Crown Provincial interests and local Municipalities to determine the viability of jointly operating and managing Victoria - Esquimalt Harbour(s).

3) Greenways Initiatives

The PCC is a Crown Corporation established by the Capital Commission Act. The PCC mandate is to enhance the amenities and environment of the Capital Improvement District for the benefit of British Columbia residents and visitors to the Province. In addition, the PCC has the task of protecting and enhancing the arterial approaches to the Capital. The PCC recently initiated a Greenways Program to create a multifunctional network of green corridors to conserve green open space and secure natural and scenic areas within the portion of the CRD that extends from Metchosin to North Saanich. The goal of the Greenways Program is **"to establish a multi-functional greenways system for present and future generations. The system will protect natural, scenic, and other green space values through the co-operative efforts of interested individuals, organizations and public, institutional, and private landowners.**

Securing Green Space

Both the 1993 CRD Values Goals and Priorities Project and the 1992 CRD Parks Household Survey revealed that a sense of harmony with nature and proximity to wilderness are cherished by residents of this region. Consequently there is need to secure green spaces. This realization comes at a time when public resources are under great strain. This prompted the Provincial Capital Commission to look at various methods of securing/preserving green areas. The Greenways concept is a device that holds the promise to increase green areas through partnership and sharing of resources.

What are Greenways ?

Greenways are physically or visually connected green spaces, consisting of a succession of natural or cultivated landscapes that may vary in size, type. They can be linked by roadways, pathways, waterways, bike ways, and hiking trails. In addition, they can be established and maintained through a combination of land ownership, common policies, regulations, or voluntary private action. Not all parts of a Greenway need be accessible to the public. (Greenways systems have been developed in other areas and are designed to take advantage of local opportunities)

What is a Greenways Program?

A Greenways Program can be described as a series of actions directed toward the development and maintenance of a network of Green Corridors.

Those actions include:

Increasing Public Awareness of Green Space Issues

Promotion of Land Stewardship both public and private

Preparation of Greenways Strategy, System Plan, and Priorities

Formation of Partnerships

The Commission expects to build a Greenways system largely by **securing** land rather than by **purchasing** it. Purchase will sometimes be necessary but that must be reserved for special cases. Buying land is very expensive and it is anticipated that often it will not be necessary. The Commission hopes that fostering Land Stewardship will lead to landowners coming forward voluntarily to see how their land can be part of the Greenways system.

Joint Capital Regional District/Provincial Capital Commission Greenspace Strategy Project

Capital Regional District (CRD) Parks and the Provincial Capital Commission (PCC) both embarked on programs intended to conserve natural areas and greenspace in the CRD. Because of similar data needs and because the two agencies would be dealing with different aspects of the same problem, CRD Parks and Provincial Capital Commission (PCC) are undertaking a joint planning project to identify and classify natural environments areas and other green spaces within the CRD and establish comprehensive policies to maintain and conserve them.

Greenways Advisory Committee

The Commission established a 12 member Greenways Advisory Committee whose task is to advise the Commission on all aspects of the implementation of the Greenways Program. More specifically the committee was asked to:

Make recommendations and comments to the Commission respecting:

(a) a mission statement for the Greenways Program;

(b) criteria for the inventory, analysis and classification of land in the Capital Improvement District, as it relates to the Greenways Program;

(c) the preparation and updating of a Greenways system plan;

(d) the preparation of regular Greenways status reports;

(e) priorities for the Greenways Program and an annual action plan;

(f) policies for securing and managing Greenways lands;

(g) specific land acquisitions by the Commission for the Greenways Program;

(h) methods of recognizing the contributions of other persons and organizations to the Greenways Program and specific candidates for recognition;

(i) methods of promoting the Greenways Program;

(j) methods of financing the Greenways Program;

(k) forms of agreement with private and public landowners who wish to become part of or associated with the Greenways Program;

(l) any aspect of the Commission's Greenway Program referred to the Committee for advice.

The exact nature of the Greenways Program is yet to be determined and that is one major task of the Advisory Committee. While this is being considered the Committee will also be looking at short term do-able projects that can be undertaken immediately so that opportunities will not be missed while an overall plan is being developed. One of the initial tasks undertaken by the Greenways Committee was to develop a mission statement as directed by the terms of reference. The mission statement, as recommended by the Greenways Advisory Committee, has now been approved by Commission and is as follows:

To facilitate through advice and assistance to the P.C.C. the development and implementation of a P.C.C Greenways Program which is directed to:

a) ***the development of a network of pathways, bikeways, highway corridors, waterways or undeveloped green corridors which link, where possible through greenspaces, public lands, open spaces and viewpoints;***

b) ***the development and preservation of significant heritage resources and of natural corridors for ecosystem (particularly indigenous) protection and wildlife movement;***

c) ***the development and preservation of visual corridors to protect the scenic quality and appeal of greenspaces;***

d) ***the fostering of partnerships and other relationships with individuals, groups, and public and private entities for the acquisition, maintenance, protection, preservation, rehabilitation and stewardship of natural areas, landscapes and linear green spaces; and,***

e) ***the provision and promotion of information, education and vision to the general public, public bodies and concerned organizations on the need for and support of a Greenways Program.***

- Land Stewardship

A Land Stewardship program is primarily a proactive information service that brings relevant environmental information to the attention of land owners so that they might manage their land to support natural systems. An active Stewardship program can also lead to an increase in the number of private land owners who are willing to take formal lasting steps to conserve natural areas on their land. A Stewardship program would also raise the general level of understanding as to what people as individuals can do to help restore and sustain natural systems.

Alternatives

a) Maintain The Current Direction of the Greenways Initiative
b) Consider Methods of Implementing a Pilot Land Stewardship Project
c) Join With Local Municipalities for the Purpose of Developing and Implementing Local Greenways Initiatives

Assessment

The Greenways Initiative has proven to be a very popular and highly successful program of the Commission with numerous projects initiated since the programs implementation. There is considerable interest in the Greenspaces strategy and data being gathered for the strategy will be invaluable in the growth management planning for the Greater Victoria area.

Decision Taken

That Commission continues with the present Greenways Initiatives and strongly encourages partner Municipalities to launch similar efforts within their area of jurisdiction.

4) Belleville Terminal Enhancement

Victoria's Inner Harbour is an incomparable natural setting, defining and shaping the city that has grown up around it. The harbour is extremely important to the economy of the Victoria area and Vancouver Island. It is also the heart of the city, welcoming more than 1.1 million travellers arriving by ferry, floatplane and helicopter services each year.

In January 1998 the City of Victoria and the Province of British Columbia entered into a Memorandum of Understanding with the purpose of undertaking detailed planning work for the Ship Point/Ocean Cement Site and the Belleville Terminal Site in anticipation of the Federal Harbours Divestiture Program.

A number of specific objectives were identified for the Belleville Terminal Site. They are as follows:

1. Propose improvements to the overall efficiency and visual appearance of the Belleville Street frontage lands and terminals, recognizing their role as the harbour gateway facility to Victoria, Vancouver Island and British Columbia.
2. Determine the future form of the terminal regarding the mix of foot passenger-only and foot passengers and vehicles.
3. Propose improvements to the operations, capacity, passenger handling and amenities of the terminals.
4. Plan for potential expansion of the facility for future ferry services.
5. Propose improvements to customs and immigration facilities and/or negotiate changes with Canada Customs for a practical new facility size.
6. Propose improvements for the Belleville Street frontage for pedestrians and the linkage to Laurel Point.
7. Include consideration of a mix of land uses that will generate revenue and ensure that the area is vital and active.

The Project Management Group, including representation from the Federal Government and the Harbour Steering Committee, has undertaken work to achieve these objectives. This includes workshops with the Belleville Terminal users and agencies, undertaking a Transportation Analysis and commissioning a preliminary concept for the area, a geotechnical analysis, estimate of development costs and market analysis. Following this work, further refinements to the concept may be required prior to a public review and meeting with various interest groups. After the public review process a schedule will be developed leading to partnership agreements regarding development, proposal calls and rezoning.

Belleville Terminal Concept

Passenger ferries are a central part of the Victoria harbour transportation system and a major contributor to the region's tourist industry. It is essential that these transportation links are strengthened.

The "Belleville Terminal" has a long history; for many decades it was the home of the Canadian Pacific Railway steamships — Victoria's primary link with the mainland. At present, there are two terminals along the south side of the harbour with access from Belleville Street. One of these serves the COHO (Black Ball Transport) car and passenger ferry; the other serves foot passenger traffic provided by the Victoria Clipper, Star and Express. About 128,000 vehicles, and approximately 900,000 passengers arrive through the two terminals each year.

The current COHO terminal building was constructed some 20 years ago. The terminal currently serving the Clipper, Star and Express was built as a "temporary facility" prior to the 1994 Commonwealth Games.

In addition to the two terminals currently in use, the former CPR Terminal Building houses the Royal London Wax Museum and, at the upper level, government offices. Architecturally, this is one of the most significant buildings facing the Inner Harbour. It was designed by Francis Rattenbury, architect for the Legislative Buildings and the Empress Hotel.

In total, the CPR Terminal building, the COHO terminal and the "temporary terminal" comprise 2.18 hectares. The land is in public ownership.

Why a New Terminal?

There is a common interest among the users of the terminals and the land owners to explore the design, construction and financing of a multi-use transportation facility which would effectively meet the short and longer term needs of existing and potential operations and, at the same time, enhance the Belleville Terminal as a major gateway to the City and the Capital Region.

The existing terminals have serious shortcomings, which prompt the need for a new, central facility:

- The terminals are too small and crowded for existing traffic levels; future increases in foot and vehicle travel would be placing an even greater strain on the facilities;
- Both buildings accommodate relatively few waiting passengers, leading to line-ups outside the buildings —unappealing in rainy, windy weather. Luggage storage and processing are particularly difficult for the Victoria Clipper;
- Customs and immigration facilities are inadequate in both buildings; a better configuration will allow personnel to work in a faster, simpler manner;

- The current system of "first come, first served" access for vehicles for the COHO limits the number of vehicles and obliges people to park at the terminal many hours before their ferry leaves;
- The lands along Belleville Street are not attractive when viewed from the street and the harbour;
- The path along Belleville Street is narrow and parts are bordered by a chain link fence — it's an unappealing link between downtown and the Laurel Point area.

The Design Concept

The City of Victoria and the Provincial Capital Commission have worked closely together to develop a concept for the redevelopment of the Belleville lands.

The concept plan has been designed to:

- improve terminal efficiency;
- improve appearance and amenities;
- improve terminal capacity;
- improve Belleville Street walkways to Laurel Point; and
- provide for future ferry service expansion.

The concept is made up of three parts, or precincts, they are:

CPR Terminal Precinct

This includes the CPR Terminal building at the east end of the site, currently occupied by the Royal London Wax Museum. The plan for this precinct envisages:

- new uses in the upper floor of the CPR building;
- improvements to the building's lower elevations facing the harbour; and
- further improvements to the harbour-side public open space.

Central Terminal Precinct

This area is currently leased to the COHO and comprises the parking lot, existing terminal building and customs facilities for cars. The plan envisages:

- construction of a new, three level terminal building of 4,000-5,500 square metres located at the water's edge — the building will be visually prominent from the harbour and from lands across the harbour
- combined facilities for the COHO, Clipper, Star and Express, accommodating about 600 people arriving and departing;
- new facilities for Canada Customs and Immigration, US Immigration, baggage handling plus associated offices and retail facilities — this will also allow for expansion;
- retention of vessel docking locations currently in use;
- creation of a wide, landscaped promenade along Belleville Street;
- creation of pick up/drop off areas for bus, taxis, car rentals;
- the construction of another building of about 740 square metres on the site for a restaurant and small retail uses.

Western Pier Precinct

The concept for the Western Pier Precinct, currently the terminal for the Clipper, Star and Express, is to retain the site for more intensive uses in the future. In the meantime, the concept is for:

- continued use of the water frontage for foot passenger ferry docking;
- demolition of the temporary terminal building and older buildings;
- creation of temporary landscaping/parking; and
- repair and reuse of a heritage building in the southwest corner of the property.

Phased Development

The concept plan allows the redevelopment to be on a phased basis with the new, central terminal constructed first, followed by the demolition of the current terminal buildings.

The Planning and Development Process

The planning process has been steered by the Project Management Group, comprised of provincial, municipal staff and federal staff.

After a Spring Open House, during the balance of 1999, a detailed implementation program will be undertaken. Key elements will be:

- refinement of design, financial and partnership arrangements;
- further consultation with the Harbour Management Committee Harbour Society and the federal government on the role of the Harbour Authority;
- financial, governmental and rezoning approvals;
- negotiations with transportation companies and other tenants;
- development of a phasing and scheduling program to minimize the impact of the development on the tourism industry; and
- preparation of detailed working drawings and specifications.

Some of the issues that need careful consideration include:

- size and configuration of the terminal building, sufficient to allow for future expansion yet in scale with other buildings surrounding the harbour;
- understanding the nature of traffic peaks and being able to plan effectively for these periods and the delays that sometimes arise; and
- the ability of the transportation operators to bear the rents and other costs relative to their anticipated revenues; in addition to their own costs, the operators also assume costs associated with the space occupied by customs authorities.

Financial Concept

The capital cost of the redevelopment is estimated at $16.1 million. This includes the new central terminal at $5.7 million and the Belleville promenade and other improvements at $1.8 million. These costs will be further refined as the plan is developed.

Determining how the project is to be financed will be a key part of the next stage of planning. It is anticipated that this will most likely be through a partnership of the public and private sectors. The land will remain in public ownership.

5) Public Profile Enhancement

Commission has had a long-standing concern with respect to the matter of its public profile. The decade old debate spans the gap between the view, on the one hand, that good service which benefits the citizens of the province is sufficient demonstration of the value of Commission's endeavors. On the other hand, there are those who are of the view that there may be occasions where strong public support is invaluable when major issues need to be tackled or when the future of Commission's service is threatened.

Proponents of the latter view support the need for a higher public profile which clearly enunciates and elaborates the work of the Commission to the general public. Limited attempts at enhancing the profile of the Commission in the past decade include:

a) Publication of the first PCC annual report in 1984-85 and each year since.
b) Installation of commemorative plaques on all PCC funded projects.
c) Publication in 1986 of the history of the Commission over its first 30 years.
d) Presentations to Municipal Councils on various topics e.g. scenic views analysis
e) Opening ceremonies for PCC funded projects.
f) Flowering celebrations - "94 Commonwealth Games and Legacy activities.
g) Involvement with First Night Victoria.
h) Creation of the PCC Home Page on the Internet.

There have been numerous other suggestions for profile enhancement including everything from publication of "coffee table" photo books of PCC projects to information brochures, guest editorials and regular mall and exhibition displays.

To date Commission has chosen not to devote a significant portion of its resources to the comprehensive communication of its services to the general public.

<u>Alternatives</u>

a) Maintain Commission's relatively low profile approach to public communications.
b) Enhance the PCC communication effort primarily in the current areas of primary focus and activity e.g. St. Ann's and Greenways.
c) Undertake a major public communications program with development of a communications strategy for the PCC.

<u>Assessment</u>

Commission members have generally been divided on the question of an aggressive public communications program. The current high profile St. Ann's and Greenways initiatives are ready made topics for a communications focus, both in terms of project specifics and general education e.g. land stewardship.

Decision Taken

That Commission work closely with its two major advisory committees to develop and implement communications strategies designed to inform the public of progress on these two fronts with the goal of broad public participation in the two initiatives.

6) St. Ann's Academy Building Restoration/Renovation

This issue has been on the Commission's agenda since 1982 when Commission received title to the St. Ann's Academy building and grounds with only a promise of possible future funding to restore/renovate the property. That original "promise" of restoration funding was reversed (withdrawn) in 1985 via a letter and implied direction from the Minister Responsible of the day. Commission went through the process of proposal calls from the private sector eventually selecting a proposal which subsequently failed due to difficulties with financing the project. Eventually the PCC made recommendations to the Minister Responsible and Government of the day which resulted in a Government commitment to restore and renovate the building and grounds under the aegis of the British Columbia Buildings Corporation. The present arrangements are for BCBC to take a long term (51 year) lease on the building (except for the Chapel and Interpretive Centre), pay for all costs of restoration and renovation and recover the financing and operating costs through utilization of the building for office and commercial tenants plus a heritage density bonus transfer from the rezoned "Y-Lot".

- Restoration/renovation/operation of St. Ann's Academy **Chapel, Interpretive Centre and Grounds**

Although much of the capital cost of restoring the Chapel, Interpretive Centre and Grounds is provided for in BCBC's budgeted figures for the St. Ann's restoration/renovation project, fixturing and operating costs for these three components of the project (which will remain under Commission jurisdiction) will have to be borne by the PCC on an ongoing basis. Commission has identified limited resources for these activities, however, there is likely to be pressure for a higher level of service than the PCC has resources to handle. The Commission is currently looking to a volunteer "friends of St. Ann's initiative to assist in bridging this anticipated gap between perceived need and resources available to the PCC. The grounds are intended to be a significant open space public amenity and linkage between the Inner Harbour and Beacon Hill, Park

- Victoria Conservatory of Music

As part of the Government announcement on St. Ann's Academy, the Minister Responsible offered a site for the Conservatory of Music on and adjacent to the St. Ann's Academy complex. The Commission worked toward implementation of that commitment for some time however the Conservatory eventually opted to purchase a surplus church facility which more appropriately met their needs.

At the October 1994 Commission workshop it was agreed that:

> ***St. Ann's*** *- discussion premised on a proposed 51 yr. lease to BCBC - ownership by PCC*
>
> - *Financial Viability - try to break even on both St. Ann's and the Crystal Garden but don't abandon them if not successful initially.*
> - *Endorse ownership by PCC - look for partnerships*
> - *5 year plan should allow for a tolerable "subsidy" on both*
> - *St. Ann's & Crystal are similar - both can be operated as two aspects of a similar service - one on a BC theme the other national or international theme.*
> - *Ownership is clear, operation is not*
> - *Advisory Committees down the line*
> - *Start working on time - line & 5 year plan*
> - *The future may require 3 or 4 arms to PCC - Property - Beautification - Programs*
> - *Historic buildings. - Public assets of the Capital of the Province*
> - *Provincial public assets - built character*
> - *Grounds - Advisory Boards. - but also hands on*
> - *Get framework for vision which we wish to achieve - then giving it to a separate board for operation*
> - *Provincial Government has to be seen as control*
> - *Fully incorporate - non-profit board (not old-fashioned fund raising volunteers)*

The Financial Picture

The major holdup in the redevelopment of the St. Ann's Academy building and grounds has always been related to finance. When Commission was "gifted" the property initially the Minister Responsible indicated that the government would provide resources over time to undertake the work. Eventually that position was reversed and the government indicated no resources would be provided from the public purse and private sector funds would be required if redevelopment were to occur. With the change of government a commitment was made to a self sustaining method of redeveloping the site by rezoning adjacent office lands (Y- Lot) and transferring their increased value to St. Ann's by way of an agreement with the City of Victoria. The balance of the capital cost was to be amortized via rents collected by BCBC over the 51 year lease of the building to commercial and government tenants.

This innovative approach to financing St. Ann's was required because the PCC does not have the resources or capability of raising the resources required for such a major project. Despite its rather limited capital resources the Commission over the years devoted considerable capital funds to stabilizing and maintaining St. Ann's as outlined below:

During the first five years of ownership the PCC committed $50,000 per annum to fabric maintenance.
Chain Link fence to protect the building from vandalism - $10,500
PCC share (with BCBC) of securing the windows and doors - $30,000
Removal of the Humboldt entrance parking lot - $28,000
PCC share (with BCBC) of the photo record of the project - $10,000
PCC interpretation consulting for Chapel & Interpretive centre - $20,000

In addition to these expenditures the Commission, as owner, is expected to maintain and operate the Chapel, Interpretive Centre and Grounds as well as taking full responsibility for the property once the BCBC lease terminates.

While Commission is of the view that it has the capability of undertaking the commitments it has made to date, it would have been impossible to raise the resources to undertake the redevelopment that is being directed and financed by BCBC.

Alternatives

a) Maintain the current relationship between the government, BCBC and the Commission in the financing of the St. Ann's Project.
b) There appears to be no reasonable options.

Assessment

It is vital that the PCC identify the capital resources required to develop and operate the Chapel, Interpretice Centre and grounds components of the St. Ann's project.

Decision Taken

That PCC allocate the capital resources it is capable of generating and obtain the assistance of groups such as the "Friends of St. Ann's" to complete and operate the St. Ann's Academy heritage components.

7) **Harbour Properties and Comprehensive Management Agency Structure & Operation**

The matter of possible transfer/disposition of Federal & Provincial properties to a comprehensive Harbour Management Authority has been under discussion for some time. This matter has now become somewhat clouded with the recent Federal decision to divest itself of all properties in the Victoria - Esquimalt harbour.

In order that one has an indication of the impact any transfer of Commission property (see Appendix I for property description and analysis) to another harbour management agency may have, the following data are provided based on the unaudited financial statement for 1999-2000.

1999-2000 NET REVENUES (ROUNDED) FROM PCC INNER HARBOUR HOLDINGS

TOTAL	**$1,180,275**

It should be noted that this is the only source of **positive** cash flow from which the Commission finances its operations (i.e. the Crystal rental revenues are off set by the attraction operating costs). Any deterioration in this cash flow potential would likely result either in restricting Commission operations or requiring significant operating grants on a perpetual basis.

If, on the other hand, the Federal Government is indeed committed to divesting itself of Victoria - Esquimalt Harbour properties it may well be that the PCC, in concert with local municipalities, would be the most appropriate provincial agency to accept responsibility for harbour management and development.

Alternatives

a) Maintain The Status Quo
b) Consider Transfer of Inner Harbour Properties To Another Agency For the Purposes of Harbour Management
c) Join With Local Municipalities for the Purpose of Participating In or Becoming the Harbour Management Authority

Assessment

It would seem highly unlikely if the PCC could maintain the status quo even if it were desirable to do so. Some form of coordinated effort is required for management of Victoria - Esquimalt Harbour and with the Federal Government divesting itself of its properties and responsibilities in the Harbour(s) it appears there currently is a "window of opportunity". Whether a totally new agency is required to assume the harbour management role is debatable. The primary concerns of the Municipalities and the Province in any Harbour management arrangement has always involved:

- The desirability of and need for local control and decision making.
- The requirement for local land use controls and decision making.
- The opportunity for local public input to decision making.
- Concerns for significant revenue loss by relinquishing Municipal and Provincial jurisdiction over net revenue generating harbour properties.

Decision Taken

That Commission join forces with other Crown Provincial interests, local Municipalities and other interested [parties to determine the viability of local operation and management Victoria - Esquimalt Harbour(s).

8) Crystal Garden Attraction Operation

Overview

In some respects, the Crystal Garden may be considered an anomaly in that there occasionally is some difficulty in finding a "fit" for it in Commission's mandate. It really isn't an anomaly in that it was one of several projects handed to the Commission with a mandate that has evolved over time based on a relatively realistic view of the world and not one based on wishful thinking. One should be aware that the first mandate developed by the politicians for the Crystal Garden was that it was going to be operated as a profitable venture with the profits being of sufficient magnitude to eventually build a convention centre for Greater Victoria. Unfortunately, the Crystal Garden was designed and staffed (initially) to meet the original objective. Commission and its management soon recognized that they had indeed been given a difficult if not impossible task. Eventually, of course, the Commission faced the facts and recognized that they had to stem the hemorrhaging of funds or the annual subsidies to the Crystal could potentially destroy the Commission. Various reviews and evaluations occurred over the years, none of which resulted in major changes, but all of which invoked enough change to make the operation close enough to being financially viable that the relatively small average annual subsidy might easily be considered fair cost for the "public good" being provided. An agency with a strict bottom line mandate or mentality could not justify operating the Crystal as it presently operates, although dramatic variation to the current operation may

cause some difficulty were it to contravene the covenant undertaken when the City of Victoria "gifted" the property to the Province.

As a consequence of a staff request to consider "privatization" of the Crystal Garden under an initiative of the government of the day, Commission undertook a comprehensive random sample survey of CID residents to obtain the public's views as to the future of the Crystal Garden. The resulting data were reviewed by Commission members and discussed in detail on May 28th 1991.

Following additional staff reports, prepared at Commission's request, meetings were held in April 1992 to consider long-term directions for the Crystal Garden.

Motions passed at the April 24 and April 28 meetings established the following directions for an enhanced Crystal Garden:

1. *That the Crystal Garden be recognized as a major community resource;*

2. *With emphasis being placed on:*

    a)heritage, natural and human
    b)social and cultural activities
    c)education
    d)tourism
    This is not a ranked list.

3. a) *That P.C.C.* ***phase out*** *its display at the Crystal Garden of* ***all bird and animal species which are not classified as endangered****, and that* ***staff prepare a report*** *on how to accomplish this.*

    b) *That* ***staff prepare a full report on cost, and other, implications of P.C.C. being involved in:***

        i)discontinuing
        ii)continuing
        iii)augmenting;

    its ***species preservation programs*** *at the Crystal Garden;*

    and further, recognizing these concerns, that the direction of decisions be in keeping with Commission's involvement in:

    a) *Educating the public;*

    b) *Helping to conserve and preserve some endangered species;*

c) Working with conservationists to sympathetically deal with tropical environmental concerns;

d) Continuing support and adherence to the objectives and recommendations of the Canadian Association of Zoological Parks and Aquariums.

4. *That the Crystal Garden support and adhere to the objectives and recommendations of CAZPA with the continued sensitive approaches to programs already undertaken".*

5. *That the Crystal Garden staff be permitted to continue their research on insectariums, in keeping with perspectives adopted in items 3 & 4, and report back to the Commission.*

6. *That no further consideration be given to the reptile house/display concept.*

7. *That no action be taken with regard to parking at this time.*

8. *That Commission continue to allow/encourage activity on the P.C.C. forecourt in front of the Crystal on a limited basis during the season as already established, recognizing that City sidewalk is not included.*

9. *While striving to attaining these objectives, the Commission will endeavor at all times to do no less than break even financially on the overall Crystal Garden operations.*

10. *Adopt admission charges reflecting off-season rates (November 1 to April 30 Annually).*

11. *That the tea room license matter be tabled.*

12. *That the community rentals program area allotment matter be tabled.*

13. *That the Crystal Garden develop a proposed, comprehensive, phased educational and volunteer program, the details of which will be presented to the Commission at the earliest opportunity.*

14. *Each year staff will prepare and recommend to the Commission items regarding Capital Maintenance/Purchases to be included in that year's budget.*

15. *That staff review the sales and marketing staffing requirements and make recommendations to the Commission by no later than the Fall of 1992.*

16. *The following issues/recommendations are also to be addressed in the staff report:*

- *that the tea room area be used as an extension of the butterfly exhibition, and for other appropriate exhibits.*

- *that the palm cockatoos proposal be approved.*

- *that Commission create a major butterfly display in the existing building.*

- *that the Commission invest in expanded support facilities in a reorganized internal arrangement in the present building.*

The additional staff report requested by these resolutions was prepared and considered by the Commission on January 31st, 1995 and resulted in adoption of the following motion:

That P.C.C. endorse the priorities listed on page 17 of the "Business Plan Analysis for the Crystal Garden" as follows and with the exception of item 10:-

1. ***Establish year-round admission rates and operating hours as proposed.***

2. ***Implement full interpretive signage.***

3. ***Install vending machines as proposed.***

4. ***Implement limited educational program as soon as possible.***

5. ***Identify very limited range of souvenir items to be sold from admissions counter.***

6. ***Develop a self-guided tour brochure.***

7. ***Promote season passes focusing on "downtown" employees.***

8. ***Use commissionaires for security services.***

9. ***Develop a heritage building display and brochure.***

10. ***Terminate ad agency contract upon expiry. NOT APPROVED***

11. ***Advertise call for proposals for use of north end of Crystal property.***

12. ***Develop revenue generating "programs" for mid-week ballroom use.***

13. ***Re-structure P.C.C. senior management responsibilities.***

14. ***Put all physical plant maintenance under physical plant manager.***

15. ***Investigate and implement purchase card.***

16. Implement free admissions in January '96.

The Commission has always viewed the "attraction" portion of the Crystal garden as a "public good" which is to be subsidized by the full commercial utilization of the remainder of the building. As a consequence there has always been (except at the very beginning) a policy position that whereas the attraction may not be self supporting, the entire Crystal Garden complex, taken together, was intended to "break even".

Recent history related to the policy decision re: "breaking even" at the Crystal Garden includes the following:

Crystal Garden Proposed Programs Report - October '91

Recommendation:

That the Crystal Garden Conservation Centre be recognized as a major community resource, with emphasis being placed on tourism, heritage, education, social and cultural activities. Preservation and conservation of species should be an important part of the mandate.

While striving to attain these objectives, the Commission will endeavour at all times to break even financially on the overall Crystal Garden operations.

The Commission approved the recommendation at its special meeting held April 24, 1992.

Crystal Garden net budget results for the last 16 years:

1984 -	(75,640)	1992 -	(9,161)
1985 -	(62,757)	1993 -	(215,465)
1986 -	(82,582)	1994 -	(428,768)
1987 -	61,221	1995 -	(229,648)
1988 -	(57,777)	1996 -	(122,944)
1989 -	26,823	1997 -	(88,307)
1990 -	121,919	1998 -	(73,731)
1991 -	(66,242)	1999 -	88,141

1993 to 1996 saw significant capital expenditures as a consequence of:

- the need for some upgrading after a decade of service in a newly renovated facility
- the development of a butterfly display
- significant upgrades to bird and animal display areas
- installation of gas fired heating system and numerous other energy saving measures

The figures for the past two years are reflective of the fact that the accounting system has been changes somewhat to reflect the depreciation of capital assets and the depreciation and amortization costs associated therewith. Therefore, in relative terms, the past two years performance is actually "better" than it appears.

Alternatives

a) Maintain The Status Quo
b) Consider additional net revenue generating opportunities which are consistent with the thrust of the garden
c) Change the focus of the Crystal Garden attraction to some use more reflective of a bottom line that generates a reasonable return on investment.

Assessment

The Commission has "been over this ground" on at least three occasions over the last few years. The course for the next five years appears to be "set" and it is now important to steer the course to determine if the projections and results will flow as anticipated. While the current direction of the Crystal Garden attraction may be modified somewhat as circumstances change, it is unlikely that a severe change of direction is possible without a considerable amount of "turmoil" if one wishes to be consistent with the terms (see appendix VI for details) under which the facility was "gifted" to the Province.

Decision Taken

That Commission "steer the course" along the path that was established at the last round of discussions (outlined earlier) respecting the future of the Crystal Garden Conservation Centre attraction.

9) Programming Role

There have been suggestions over the years that Commission's mandate might be broadened to include, among other things, a program function. There must be a note of caution inserted when deliberations take place relative to such matters. Programming would, in all likelihood, be a "public good" offered below cost, if indeed any revenues

were to result. In other words the program services would be justified as a "public good". Although Commission now provides some services which are provided as a "public good" (e.g. the Crystal Garden attraction), Commission is currently unable to fund significant additional public goods without supplementary fiscal resources or reallocation of current resources. As a consequence it would seem that if Commission wishes to have its mandate expanded to allow it to pursue program services, those services must be justified as a public service with someone agreeing to fund such services over and above Commission's current service levels.

Alternatives

a) Maintain The Status Quo
b) Consider a gradual move toward more program activities
c) Establish program activities as a major function of the Commission

Assessment

Commission's initial involvement in program sponsorship has created some obvious disagreement within the PCC as well as among members of the community at large. There are program needs and opportunities for the involvement of an agency such as the Commission. Such activities have not been high on the provincial agenda, however, since the "halcyon days" of (virtually) annual anniversary celebrations under the leadership of the former Provincial Secretary's ministry. Commission's primary involvement in "program" activities comes from its custodian ship of centrally located public sites such as those on the Inner Harbour. Others usually provide the programming on these sites; however, the site is made available (usually at no cost) by the PCC for activities categorized as "public services". It seems unlikely that the resources required for a high level of direct program activity on the part of the Commission are or will be available regardless of any case that could be made for such activity.

Decision Taken

That Commission restrict its program activity to those few instances where the activity or site is demonstrably consistent with Commission's mandate and/or a clear lack of alternative program agencies or services.

10) The "P" in Provincial Capital Commission

Virtually all Capitals around the world are faced with the real or potential problem of being resented or envied by those in the area of jurisdiction (i.e. Country, Province, State, etc.) who do not live in the Capital. Some of the feelings of alienation that lead to this situation are based on the conventional wisdom which suggests that all Governments are bad and then equates the Capital with the Government. In other instances, residents

outside the Capital perceive the Capital as being "favored" with amenities that their place of residence does not get in equal measure. Seldom do residents living outside the environs of the Capital recognize, or concede, the special status and nature which tradition suggests as being appropriate, perhaps necessary, for a Capital.

This phenomena, with which most Capitals are faced, is not new nor is it unique to any one level of government or any one geographic area of the world. Rather it is pervasive and typical of most, if not all, Capitals. While reasons for this situation are not easily defined, some undoubtedly relate to the various perceptions of the nature, purpose and meaning of a Capital. Milroy suggests "Capital Cities were recognized as doubly bound to be good physical environments where real people live out ordinary lives, as well as symbolically rich cities that capture the qualities a state wishes to portray to the larger world"[1]. The dilemmas posed by these various perceptions and uncertainties are comprehensively illustrated in the 1993 publication, "Capital Cities: International Perspectives"[2].

The phenomena, described above, continues to cause concern among PCC members who are of the view that the "P" in the Provincial Capital Commission is "writ large" and thus the services of the Commission and the enhancement of the "Capital" is (or should be) of significance not only to those living in and around the Capital but to all citizens of the Province. The dilemma one faces when adopting that position is convincing those outside the region of the capital that such is the case i.e. that they too should be proud of their capital and should share in ensuring that it is and remains an attractive and vibrant icon of the province.

Alternatives

a) Maintain The Status Quo.
b) Lobby to include PCC members from throughout the province on the "Board".
c) Extend some PCC services to areas beyond the Capital.
d) Use communication devices to promote the view that the Provincial Capital "belongs" to the entire province.
e) Strive to ensure that the Capital is so vibrant and attractive that all residents of the province cannot help but express pride in their Capital.
f) Ensure that a comprehensive effort is undertaken to introduce British Columbia citizens to "their Capital" early in their lives (i.e. elementary and/or secondary school) by means of educational and visitation programs.

[1] Commentary: What Is A Capital?, Beth Moore Milroy , in Capital Cities: International Perspectives, edited by John Taylor, Jean G. Lengelle' and Caroline Andrew, Carleton University Press, Ottawa, 1993.
[2] Capital Cities: International Perspectives, edited by John Taylor, Jean G. Lengelle' and Caroline Andrew, Carleton University Press, Ottawa, 1993.

Assessment

While there are numerous techniques that can be, and have been, tried in an attempt to ameliorate the situation, there are those who suggest that any attempt to do so is to "swim upstream" (i.e. difficult if not impossible). Amos Rapoport, for example, suggests "It is unclear whether physical elements can communicate "national identity" even if that becomes an accepted goal, or how."[3] He goes on to conclude, "It thus seems that the search for symbolic, high-level meanings for capitals, which can be communicated through built environments, is doomed to failure."[4] Perhaps Rowat best highlights one of the major dilemmas presented by this situation[5] when he states, "...a fair division of costs between the central government and the local residents is very difficult to achieve".

Decision Taken

That the PCC undertake a range of initiatives in an attempt to enhance the concept of a Capital for all residents of the Province.

V STRATEGIC OBJECTIVES AND PERFORMANCE MEASURES

In order to carry out its mandate, the P.C.C. pursues three primary goals:

Goals (i.e. what we want to achieve)

A. Enhancement of the amenities and environment in the Capital Improvement District (i.e. Greater Victoria) for the benefit of British Columbia residents and visitors to the Province.
B. Protection and enhancement of arterial approaches to Greater Victoria.
C. Response to requests by the Government for the undertaking of Special Projects.

Objectives (i.e. how we will achieve our goals)

I. Promotion and/or support of improvement efforts, by others, which maintain or enhance amenities in the Capital Improvement District. Tools utilized to achieve this objective include:
   - Enhancement (beautification) grants

II. Protection of natural and/or built environments in the Capital Improvement District. Tools utilized to achieve this objective include:
   - Greenways initiatives including grants

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[3] Ibid, Capitals and Their Physical Expression, Amos Rapoport, p.58.
[4] Ibid, p.60.
[5] Ibid, Ways Of Governing Federal Capitals, Donald C. Rowat, P.165

III. Development of public amenities in the Capital Improvement District. Tools utilized to achieve this objective include:

- Enhancement and greenways grants
- Ownership and improvement of "special" properties

IV. Coordination with and assistance to other agencies within the Capital Improvement District with respect to activities which affect the public amenity values of the District and arterial approaches thereto. Tools utilized to achieve this objective include:

- Vetting rezoning and highways access applications to/from Municipalities in critical areas (e.g. adjacent to major thoroughfares)

V. Review and comment on (vet) plans for disposal and/or alteration of any land, building or other work owned or controlled by the Province in the Capital Improvement District. Tools utilized to achieve this objective include:

- Liaison with BCBC and other major Crown Corporations and agencies

VI. Purchase, acquisition (property and "right" to property) and holding real property within the Capital Improvement District for the purpose of establishing or enhancing public amenities. Tools utilized to achieve this objective include:

- Direct purchase
- Acquisition by Crown Free Grant
- Land "swaps"
- Long term lease
- Covenants
- Land stewardship

VII. Enactment of bylaws designed to protect, improve or enhance amenities in the Capital Improvement District and arterial approaches thereto. Tools utilized to achieve this objective include:

- Property management bylaw

VIII. Attempt to ensure that all British Columbians feel "at home" in their capital. Tools utilized to achieve this objective include:

- Communication programs to inform residents of amenities, events and activities in "their" capital
- School programs to foster pride in British Columbia's capital
- Cooperative programs in conjunction with the Canadian Capital Cities Organization and others.

The PCC owns and manages 57 properties in the Greater Victoria area with an assessed value in 2000 of approximately $63 million. Many are open-space oriented, while others are critically located high-profile properties on the Inner Harbour and in the Legislative Precinct.

VI PERFORMANCE MEASURES FOR THE YEAR 2000-2001

FINANCIAL/OPERATIONAL

Revenue/expenditure

- **General**

  Regardless of the projected net budgeted results, the average annual net result of PCC operations over the past 15 years has been $399,057. The 2000-2001 budget projects a net result of ($928,669).

- **Property Management**

  Beside the Crystal Garden, the only commercially viable revenue generating holdings of the PCC are on the Inner Harbour. The net cash flow from those properties in 1998-99 was $1,155,739 or 7.88% on the assessed value of the property.

- **Return On Investment**

  A traditional business venture might consider, as a measure of success, the degree to which it achieved its target "return on investment". It is obvious that the PCC commercial properties have a wide variety of "returns on investment" as indicated by a detailed analysis of the returns on each of Commission's economically viable property holdings. The reasons for the variations vary widely, however, they can generally be broken into categories, namely:

  - Inherited leases - many of Commission's leases were "inherited" along with Crown Provincial property that was transferred to the PCC. The structure of those leases often reflect "aged" negotiations and/or significant concessions which were granted for a variety of factors including "forced" moves across the Inner Harbour (e.g. Blackball & Undersea Gardens)
  - Unique Leases - some PCC tenants have leases which reflect a capital cost (renovation) input which is traditionally the owner's responsibility but which was required of the tenant and treated as 'advance rent" thus reducing the regular lease rent for a period of time (e.g. 812 Wharf St. Causeway Restaurants)
  - Temporary interim property uses which, while generating some cash flow, are not expected to return rents equivalent to "highest and best" use of the subject property (e.g. waterfront parking lots).
  - Nominal rent leases that reflect a "public good" and do not return market rents (e.g. public restroom and service area 812 Wharf St.)

There are a large number of PCC properties, which are being held as open space in perpetuity, due to the enhancement mandate, and there are various anomalies faced in PCC commercial leases. As a consequence Commission has determined that while as high as possible a net return will be the target of commercially leased properties, return on investment will not be the primary consideration in setting lease rates thus no ROI targets will be established for PCC properties.

- **Crystal Garden**

  The 2000-2001 Crystal Garden budget was approved at a projected result of ($298,140).

- **Enhancement**

During the last 21 fiscal years, the PCC has received enhancement (i.e. beautification) grants in 13 of those years. These funds have, in turn, been allocated to various groups and municipalities for the improvement of amenities that contribute to the natural or built amenities of the Capital of British Columbia. In some instances the Commission has "topped up" the grant moneys by allocating some of its reserve funds when members felt important enhancement needs couldn't go unmet. Seldom has the request for grant consideration not exceeded grant funds available by a significant margin. The following tables outline the historical data related to this matter. The first table highlights the operating and beautification (enhancement) grants received by the PCC between 1979 and 2000. The second table illustrates the average over subscription to the enhancement (beautification) program during a recent ten-year period.

YEAR	OPERATING	BEAUTIFICATION	TOTAL
1979/80	$226,337	$405,300	$631,637
1980/81	$352,443	$440,000	$792,443
1981/82	$336,325	$440,000	$776,325
1982/83	$304,878	$440,000	$744,878
1983/84	$362,021	$0	$362,021
1984/85	$256,500	$0	$256,500
1985/86	$303,077	$0	$303,077
1986/87	$361,754	$255,000	$616,754
1987/88	$300,000	$255,000	$555,000
1988/89	$306,000	$374,000	$680,000
1989/90	$318,000	$392,000	$710,000
1990/91	$333,900	$376,100	$710,000
1991/92	$0	$324,500	$324,500
1992/93	$0	$324,500	$324,500
1993/94	$0	*$224,500	$224,500
1994/95	$0	**$224,500	$224,500
1995/96	$0	$0	$0
1996/97	$0	$0	$0
1997/98	$0	$0	$0
1998/99	$0	$0	$0

* 1993/94 Improvement Projects exceeded the Provincial appropriation by $66,500. The remaining $66,500 came from the Commission's operating fund reserve.

** 1994/95 Improvement Projects exceeded the Provincial appropriation by $75,000. The remaining $75,000 to be redirected from a previous unexpended grant.

BEAUTIFICATION FUND APPLICATIONS & AWARDS 1986-1999				
Year	Value of Applications Received	Value of Grants Approved		Value of Applications Denied
1986	$5,228,311	$255,000		$4,973,311
1987	1,608,114	$261,830		$1,346,284
1988	$2,265,093	$375,000		$1,890,093
1989	$867,410	$392,000		$475,410
1990	$1,578,225	$314,500		$1,263,725
1991	$676,050	$406,000		$270,050
1992	$353,000	$324,500		$28,500
1993	$470,400	$291,000	*	$179,400
1994	$594,000	$224,500	**	$369,500
1995	$356,640	$224,500		$132,140
1996-98	No Grants Available			
1999	$394,925	$199,625	***	$195,300
Totals	$14,392,168	$3,268,455		$11,123,713
Average	$1,308,379	$297,132		$1,011,247

* $224,500 from Beautification topped up by $66,500 from reserves

** $75,000 additional tranferred from previously allocated but unused project

*** $200,000 from reserves

- **Inner Harbour**

As has been noted on numerous instances throughout this document, Commission's Inner Harbour properties hold the key to successful PCC operations. The only other revenue generating properties of the PCC are the Crystal Garden Conservation Centre and the St. Ann's Academy and the net operating target for these facilities is "break even". Consequently, Commission operations rely entirely on the revenues generated by the Inner Harbour properties that are the only net revenue generators owned by the Commission.

CUSTOMER - SERVICE ACCOUNT

- **Service Quality**

The only services provided by the Provincial Capital Commission that deals with volumes of "customers", in the traditional sense, are those provided at the Crystal Garden Conservation Centre and St. Ann's Academy. Service is, and has been, the primary focus of all staff at these two facilities from the opening day. Despite the fact that one Commission employee has been designated to provide the "lead" in any corporate customer service endeavors, first rate service is the byword of all staff. Even in instances where potential "customers" react negatively to the Crystal Garden Conservation Centre theme or to events scheduled at St. Ann's facilities, staff treats the "protesters" with the utmost respect and courtesy, often under trying and provocative conditions. They are also faced with the difficult task of ensuring that those who disagree with the service provision or theme do not prevent those who wish to benefit from an enjoyable visit to the facilities from doing so.

- **Customer Satisfaction**

Traditionally the Crystal Garden Conservation Centre has undertaken a user survey every three to five years as a random sample check against the responses received daily in the "guest book" comments section.

The most recent random sample survey was completed in 1997 with the next one scheduled for the summer of 2000.

ENVIRONMENTAL

- **Heating Fuel Conversion**

For the past several years it has been Commission policy to move toward cleaner burning, less expensive fuels in all of its properties. As a consequence, timely replacement of all fuel oil burning boilers to natural gas has been a target. The last major conversion took place at the Crystal Garden, which leaves only one small facility that still utilizes fuel oil.

- **Recycling**

It has long been Commission's policy to utilize environmental friendly office products and recycle and reuse supplies where possible. Therefore, a full recycling program has been in place for some time including full bond and newspaper recycling, refilling of laser toner cartridges, utilization of recycled products etc. In addition, the major renovation restoration project at St. Ann's Academy, under the leadership of BCBC utilized a

recycling program that saw re-use of virtually all demolition materials with the exception of a number of water closets.

SOCIAL EQUITY

Current Employee Profile: 28* in total (*not FTE's)

Full Time Employees - 14
- 7 females and 7 males
- Average Government Service - 13.6 years
  - 10.9 years female and 18.7 years male

Part Time Employees - 14
- 12 females and 2 males

Hiring Practices:

Since all Provincial Capital Commission employees are Public Servants (by OIC), working conditions, benefits and related matters are identical to those provided in the relevant Public Service collective agreements and/or excluded agreements.

Hiring practices utilized are as specified from time to time in the relevant Provincial Government's Personnel Policy and Procedures Manuals.

Labour Relations Problems, Union Grievances :

There were two union grievances during this period, one was withdrawn and one was resolved through the grievance procedures process at Step 2.

New Hires: 2 Females

Heritage Resource Officer (Assistant Keeper) – Part-Time Position (backfill for long-term disability)

- 5 female applicants
- 3 applicants were interviewed

Clerk 4 – Part-time Position

- 6 female applicants
- 3 applicants were interviewed

Rate of Absenteeism:

Based on 1827 hours per year and 15 FTE's (includes only those qualifying for sick leave:

Work days lost: 50 days @ 1.6% absenteeism.

One employee has been on long-term disability, due to a serious medical condition, since March 24, 1998 and has not been included in the calculations for the rate of absenteeism.

OUTCOME MEASUREMENT-A "BALANCED SCORE CARD"APPROACH?

As has been indicated, on numerous occasions in this plan, the intent has always been to clearly identify strategic objectives and related performance measures. As readers will note, this aspect of the plan has not been completely achieved at this point in time. The reasons for the difficulty in establishing objective performance measures relate primarily to the nature of Commission's mandate and the difficulty of establishing easily measurable outcomes. Some programs face special challenges in measuring outcomes. Among these are programs whose participants are anonymous and those involved in development, public education, advocacy and providing support to other agencies. In addition, developing a sound outcome measurement system takes time – to plan, to try out, to adjust, and to implement. Despite this difficulty, we are in pursuit of such measures and are currently assessing the Balanced Score Card (created by Dr. Robert J. Kaplan and Dr. David Norton) and other approaches to performance measures.

As a consequence of Commission's desire to develop a new Comprehensive Plan over the next year, study and evaluation of the appropriateness of the BSC and other methods has been delayed until the Comprehensive Plan is completed. At that time staff will review the BSC and other approaches with a view to recommending to Commission whether or not they believe adoption of the BSC or related methods would be appropriate for evaluation of performance measures in the PCC strategic plan.